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प्राधिकार से प्रकाशित
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इस भाग में भिन्न पृष्ठ संख्या दी जाती है जिससे कि यह अलग संकलन के रूप में रखा जा सके।
Separate paging is given to this Part in order that it may be filed
as a separate compilation.

MINISTRY OF LAW AND JUSTICE
(Legislative Department)

New Delhi, the 14th March, 1991/Phalguna 23, 1912 (Saka)

The following Act of Parliament received the assent of the President on the 14th March, 1991, and is hereby published for general information:—

THE FINANCE ACT, 1991

No. 18 of 1991

[14th March, 1991.]

An Act to continue for the financial year 1991-92 the existing rates of income-tax and to provide for the continuance of the provisions relating to auxiliary duties of customs and special duties of excise for the said year.

Be it enacted by Parliament in the Forty-second Year of the Republic of India as follows:—

1. (1) This Act may be called the Finance Act, 1991.

(2) Save as otherwise provided in this Act, section 2 shall come into force on the 1st day of April, 1991.

2. The provisions of section 2 of, and the First Schedule to, the Finance Act, 1990, shall apply in relation to income-tax for the assessment year or, as the case may be, the financial year commencing on the 1st day of April, 1991, as they apply in relation to income-tax for the assess-

Short
title
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Income-
tax.

ment year or, as the case may be, the financial year commencing on the 1st day of April, 1990, with the following modifications, namely:—

(a) in section 2,—

(i) for the figures “1990”, wherever they occur, the figures “1991” shall be substituted;

(ii) in sub-section (1), after the words “the First Schedule and”, the words, figures letter and brackets “such tax as reduced by the rebate of income-tax calculated under Chapter VIII-A of the Income-tax Act, 1961 (hereinafter referred to as the Income-tax Act)” shall be inserted;

43 of 1961.

(iii) in sub-section (2),—

(A) for the words “eighteen thousand rupees”, wherever they occur, the words “twenty-two thousand rupees” shall be substituted;

(B) for the proviso, the following proviso shall be substituted, namely:—

“Provided that the amount of income-tax so arrived at, as reduced by the rebate of income-tax calculated under Chapter VIII-A of the Income-tax Act, shall, in the case of every person having a total income exceeding seventy-five thousand rupees, be increased by a surcharge for purposes of the Union calculated at the rate of twelve per cent. of such income-tax and the sum so arrived at shall be the income-tax in respect of the total income.”;

(iv) in sub-section (3),—

(A) the figures, brackets and words “, 1961 (hereinafter referred to as the Income-tax Act)” shall be omitted;

43 of 1961.

(B) for the proviso, the following proviso shall be substituted, namely:—

“Provided that in respect of any income chargeable to tax under section 115B or section 115BB of the Income-tax Act,—

(a) the income-tax computed under section 115B shall be increased by a surcharge calculated at the rate of fifteen per cent. of such income-tax; and

(b) the income-tax computed under section 115BB shall be increased,—

(i) in the case of a person other than a company, being a resident in India, by a surcharge for purposes of the Union calculated at the rate of twelve per cent. of such income-tax; and

(ii) in the case of a domestic company, by a surcharge calculated at the rate of fifteen per cent. of such income-tax.”;

(v) in sub-section (7), after the word, figures and letter "Chapter VIII-A", the words "of the said Act" shall be inserted;

(vi) in sub-section (8), for the proviso, the following proviso shall be substituted, namely:—

'Provided that the amount of income-tax or "advance tax" so arrived at, as reduced by the rebate of income-tax calculated under Chapter VIII-A of the said Act, shall, in the case of every person having a total income exceeding seventy-five thousand rupees, be increased by a surcharge for purposes of the Union calculated at the rate of twelve per cent. of such income-tax or, as the case may be, "advance tax" and the sum so arrived at shall be the income-tax or, as the case may be, "advance tax" in respect of the total income.'

(b) in the First Schedule,—

(i) for Part I, the following Part shall be substituted, namely:—

'PART I

INCOME-TAX

Paragraph A

Sub-Paragraph I

In the case of every individual or Hindu undivided family or un-registered firm or other association of persons or body of individuals, whether incorporated or not, or every artificial juridical person referred to in sub-clause (vii) of clause (31) of section 2 of the Income-tax Act, not being a case to which Sub-Paragraph II of this Paragraph or any other Paragraph of this Part applies,—

Rates of income-tax

- (1) where the total income does not exceed Nil;
Rs. 22,000
- (2) where the total income exceeds 20 per cent. of the amount by which Rs. 22,000 but does not exceed Rs. 30,000 the total income exceeds Rs. 22,000;
- (3) where the total income exceeds Rs. 1,600 plus 30 per cent. of the amount by which the total income exceeds Rs. 30,000;
Rs. 30,000 but does not exceed Rs. 50,000
- (4) where the total income exceeds Rs. 7,600 plus 40 per cent. of the amount by which the total income exceeds Rs. 50,000;
Rs. 50,000 but does not exceed Rs. 1,00,000
- (5) where the total income exceeds Rs. 27,600 plus 50 per cent. of the amount by which the total income exceeds Rs. 1,00,000.
Rs. 1,00,000

Surcharge on income-tax

The amount of income-tax computed in accordance with the preceding provisions of this Sub-Paragraph shall,—

(i) in the case of every individual, Hindu undivided family or association of persons or body of individuals referred to in

sections 88 and 88A having a total income exceeding seventy-five thousand rupees, be reduced by the amount of rebate of income-tax calculated under Chapter VIII-A, and the income-tax as so reduced;

(ii) in the case of every person, other than those mentioned in item (i), having a total income exceeding seventy-five thousand rupees,

be increased by a surcharge for purposes of the Union calculated at the rate of twelve per cent. of such income-tax:

Provided that no such surcharge shall be payable by a non-resident.

Sub-Paragraph II

In the case of every Hindu undivided family which at any time during the previous year has at least one member whose total income of the previous year relevant to the assessment year commencing on the 1st day of April, 1991 exceeds Rs. 22,000,—

Rates of income-tax

- | | |
|--|---|
| (1) where the total income does not exceed Rs. 12,000 | <i>Nil</i> ; |
| (2) where the total income exceeds Rs. 12,000 but does not exceed Rs. 20,000 | 25 per cent. of the amount by which the total income exceeds Rs. 12,000 |
| (3) where the total income exceeds Rs. 20,000 but does not exceed Rs. 40,000 | Rs. 2,000 <i>plus</i> 30 per cent. of the amount by which the total income exceeds Rs. 20,000; |
| (4) where the total income exceeds Rs. 40,000 but does not exceed Rs. 60,000 | Rs. 8,000 <i>plus</i> 40 per cent. of the amount by which the total income exceeds Rs. 40,000; |
| (5) where the total income exceeds Rs. 60,000 but does not exceed Rs. 1,00,000 | Rs. 16,000 <i>plus</i> 50 per cent. of the amount by which the total income exceeds Rs. 60,000; |
| (6) where the total income exceeds Rs. 1,00,000 | Rs. 36,000 <i>plus</i> 55 per cent. of the amount by which the total income exceeds Rs. 1,00,000. |

Surcharge on income-tax

The amount of income-tax computed in accordance with the preceding provisions of this Sub-Paragraph shall, in the case of every person having a total income exceeding seventy-five thousand rupees, be reduced by the amount of rebate of income-tax calculated under Chapter VIII-A and the income-tax as so reduced be increased by a surcharge for purposes of the Union calculated at the rate of twelve per cent. of such income-tax:

Provided that no such surcharge shall be payable by a non-resident.

Paragraph B

In the case of every co-operative society,—

Rates of income-tax

- | | |
|--|-----------------------------------|
| (1) Where the total income does not exceed Rs. 10,000. | 10 per cent of the total income ; |
|--|-----------------------------------|

- | | |
|--|--|
| (2) where the total income exceeds Rs. 10,000 but does not exceed Rs. 20,000 | Rs. 1,000 <i>plus</i> 20 per cent. of the amount by which the total income exceeds Rs. 10,000; |
| (3) where the total income exceeds Rs. 20,000 | Rs. 3,000 <i>plus</i> 35 per cent. of the amount by which the total income exceeds Rs. 20,000. |

Surcharge on income-tax

The amount of income-tax computed in accordance with the preceding provisions of this Paragraph shall, in the case of every person having a total income exceeding seventy-five thousand rupees, be increased by a surcharge for purposes of the Union calculated at the rate of twelve per cent. of such income-tax.

Paragraph C

Sub-Paragraph 1

In the case of every registered firm, not being a case to which Sub-Paragraph II of this Paragraph applies,—

Rates of income-tax

- | | |
|--|--|
| (1) where the total income does not exceed Rs. 15,000 | <i>Nil</i> ; |
| (2) where the total income exceeds Rs. 15,000 but does not exceed Rs. 50,000 | 6 per cent. of the amount by which the total income exceeds Rs. 15,000; |
| (3) where the total income exceeds Rs. 50,000 but does not exceed Rs. 1,00,000 | Rs. 2,100 <i>plus</i> 12 per cent. of the amount by which the total income exceeds Rs. 50,000; |
| (4) where the total income exceeds Rs. 1,00,000 | Rs. 8,100 <i>plus</i> 18 per cent. of the amount by which the total income exceeds Rs. 1,00,000. |

Surcharge on income-tax

The amount of income-tax computed in accordance with the preceding provisions of this Sub-Paragraph shall, in the case of every person having a total income exceeding seventy-five thousand rupees, be increased by a surcharge for purposes of the Union calculated at the rate of twelve per cent. of such income-tax.

Sub-Paragraph II

In the case of every registered firm whose total income includes income derived from a profession carried on by it and the income so included is not less than fifty-one per cent. of such total income,—

Rates of income-tax

- | | |
|--|---|
| (1) where the total income does not exceed Rs. 15,000 | <i>Nil</i> ; |
| (2) where the total income exceeds Rs. 15,000 but does not exceed Rs. 50,000 | 5 per cent. of the amount by which the total income exceeds Rs. 15,000; |

- | | |
|--|--|
| (3) where the total income exceeds Rs. 50,000 but does not exceed Rs. 1,00,000 | Rs. 1,750 <i>plus</i> 10 per cent. of the amount by which the total income exceeds Rs. 50,000; |
| (4) where the total income exceeds Rs. 1,00,000 | Rs. 6,750 <i>plus</i> 15 per cent. of the amount by which the total income exceeds Rs. 1,00,000. |

Surcharge on income-tax

The amount of income-tax computed in accordance with the preceding provisions of this Sub-Paragraph shall, in the case of every person having a total income exceeding seventy-five thousand rupees, be increased by a surcharge for purposes of the Union calculated at the rate of twelve per cent. of such income-tax.

Explanation.—For the purposes of this Paragraph, “registered firm” includes an unregistered firm assessed as a registered firm under clause (b) of section 183 of the Income-tax Act.

Paragraph D

In the case of every local authority,—

Rate of income-tax

On the whole of the total income 50 per cent.

Surcharge on income-tax

The amount of income-tax computed at the rate hereinbefore specified shall, in the case of every person having a total income exceeding seventy-five thousand rupees, be increased by a surcharge for purposes of the Union calculated at the rate of twelve per cent. of such income-tax.

Paragraph E

In the case of a company,—

Rates of income-tax

I. In the case of a domestic company,—

(1) where the company is a company in which the public are substantially interested 40 per cent. of the total income;

(2) where the company is not a company in which the public are substantially interested—

(i) in the case of a trading company or an investment company 50 per cent. of the total income;

(ii) in any other case 45 per cent. of the total income.

II. In the case of a company other than a domestic company,—

(i) on so much of the total income as consists of—

(a) royalties received from Government or an Indian con-

cern in pursuance of an agreement made by it with the Government or the Indian concern after the 31st day of March, 1961 but before the 1st day of April, 1976, or

(b) fees for rendering technical services received from Government or an Indian concern in pursuance of an agreement made by it with the Government or the Indian concern after the 29th day of February, 1964 but before the 1st day of April, 1976,

and where such agreement has, 50 per cent.;
in either case, been approved by
the Central Government

(ii) on the balance, if any, of 65 per cent.
the total income

Surcharge on income-tax

The amount of income-tax computed in accordance with the provisions of item I of this Paragraph shall, in the case of every person having a total income exceeding seventy-five thousand rupees, be increased by a surcharge calculated at the rate of fifteen per cent. of such income-tax;

(ii) in Part II, for the heading "*Surcharge on income-tax*" and the entries thereunder, the following shall be substituted, namely:—

"Surcharge on income-tax

The amount of income-tax deducted in accordance with the provisions of—

(a) sub-item (a) of item 1 of this Part shall be increased by a surcharge for purposes of the Union calculated at the rate of twelve per cent. of such income-tax, and

(b) sub-item (a) of item 2 of this Part shall be increased by a surcharge calculated at the rate of fifteen per cent. of such income-tax.";

(iii) in Part III, in Sub-Paragraph II of Paragraph A, for the figures "1991", the figures "1992" shall be substituted;

(iv) in Part IV, in Rule 9,—

(A) for sub-rules (1) and (2), the following sub-rules shall be substituted, namely:—

"(1) Where the assessee has, in the previous year relevant to the assessment year commencing on the 1st day of April, 1991, any agricultural income and the net result of the computation of the agricultural income of the assessee for any one or more of the previous years relevant to the assessment years commencing on the 1st day of April, 1983 or the

1st day of April, 1984 or the 1st day of April, 1985 or the 1st day of April, 1986 or the 1st day of April, 1987 or the 1st day of April, 1988 or the 1st day of April, 1989 or the 1st day of April, 1990, is a loss, then, for the purposes of sub-section (2) of section 2 of this Act,—

(i) the loss so computed for the previous year relevant to the assessment year commencing on the 1st day of April, 1983, to the extent, if any, such loss has not been set off against the agricultural income for the previous year relevant to the assessment year commencing on the 1st day of April, 1984 or the 1st day of April, 1985 or the 1st day of April, 1986 or the 1st day of April, 1987 or the 1st day of April, 1988 or the 1st day of April, 1989 or the 1st day of April, 1990,

(ii) the loss so computed for the previous year relevant to the assessment year commencing on the 1st day of April, 1984, to the extent, if any, such loss has not been set off against the agricultural income for the previous year relevant to the assessment year commencing on the 1st day of April, 1985 or the 1st day of April, 1986 or the 1st day of April, 1987 or the 1st day of April, 1988 or the 1st day of April, 1989 or the 1st day of April, 1990,

(iii) the loss so computed for the previous year relevant to the assessment year commencing on the 1st day of April, 1985, to the extent, if any, such loss has not been set off against the agricultural income for the previous year relevant to the assessment year commencing on the 1st day of April, 1986 or the 1st day of April, 1987 or the 1st day of April, 1988 or the 1st day of April, 1989 or the 1st day of April, 1990,

(iv) the loss so computed for the previous year relevant to the assessment year commencing on the 1st day of April, 1986, to the extent, if any, such loss has not been set off against the agricultural income for the previous year relevant to the assessment year commencing on the 1st day of April, 1987 or the 1st day of April, 1988 or the 1st day of April, 1989 or the 1st day of April, 1990,

(v) the loss so computed for the previous year relevant to the assessment year commencing on the 1st day of April, 1987, to the extent, if any, such loss has not been set off against the agricultural income for the previous year relevant to the assessment year commencing on the 1st day of April, 1988 or the 1st day of April, 1989 or the 1st day of April, 1990,

(vi) the loss so computed for the previous year relevant to the assessment year commencing on the 1st day of April, 1988, to the extent, if any, such loss has not been set off against the agricultural income for the previous year relevant to the assessment year commencing on the 1st day of April, 1989 or the 1st day of April, 1990,

(vii) the loss so computed for the previous year relevant to the assessment year commencing on the 1st day of April, 1989, to the extent, if any, such loss has not been set off against the agricultural income for the previous year relevant to the assessment year commencing on the 1st day of April, 1990, and

(viii) the loss so computed for the previous year relevant to the assessment year commencing on the 1st day of April, 1990,

shall be set off against the agricultural income of the assessee for the previous year relevant to the assessment year commencing on the 1st day of April, 1991.

(2) Where the assessee has, in the previous year relevant to the assessment year commencing on the 1st day of April, 1992 or, if by virtue of any provision of the Income-tax Act, income-tax is to be charged in respect of the income of a period other than that previous year, in such other period, any agricultural income and the net result of the computation of the agricultural income of the assessee for any one or more of the previous years relevant to the assessment years commencing on the 1st day of April, 1984 or the 1st day of April, 1985 or the 1st day of April, 1986 or the 1st day of April, 1987 or the 1st day of April, 1988 or the 1st day of April, 1989 or the 1st day of April, 1990 or the 1st day of April, 1991, is a loss, then, for the purposes of sub-section (8) of section 2 of this Act,—

(i) the loss so computed for the previous year relevant to the assessment year commencing on the 1st day of April, 1984, to the extent, if any, such loss has not been set off against the agricultural income for the previous year relevant to the assessment year commencing on the 1st day of April, 1985 or the 1st day of April, 1986 or the 1st day of April, 1987 or the 1st day of April, 1988 or the 1st day of April, 1989 or the 1st day of April, 1990 or the 1st day of April, 1991,

(ii) the loss so computed for the previous year relevant to the assessment year commencing on the 1st day of April, 1985, to the extent, if any, such loss has not been set off against the agricultural income for the previous year relevant to the assessment year commencing on the 1st day of April, 1986 or the 1st day of April, 1987 or the 1st day of April, 1988 or the 1st day of April, 1989 or the 1st day of April, 1990 or the 1st day of April, 1991,

(iii) the loss so computed for the previous year relevant to the assessment year commencing on the 1st day of April, 1986, to the extent, if any, such loss has not been set off against the agricultural income for the previous year relevant to the assessment year commencing on the 1st day of April, 1987 or the 1st day of April, 1988 or the 1st day of April, 1989 or the 1st day of April, 1990 or the 1st day of April, 1991,

(iv) the loss so computed for the previous year relevant to the assessment year commencing on the 1st day of April, 1987, to the extent, if any, such loss has not been set off against the agricultural income for the previous year relevant to the assessment year commencing on the 1st day of April, 1988 or the 1st day of April, 1989 or the 1st day of April, 1990 or the 1st day of April, 1991,

(v) the loss so computed for the previous year relevant to the assessment year commencing on the 1st day of April, 1988, to the extent, if any, such loss has not been set off against the agricultural income for the previous year relevant to the assessment year commencing on the 1st day of April, 1989 or the 1st day of April, 1990 or the 1st day of April, 1991,

(vi) the loss so computed for the previous year relevant to the assessment year commencing on the 1st day of April, 1989, to the extent, if any, such loss has not been set off against the agricultural income for the previous year relevant to the assessment year commencing on the 1st day of April, 1990 or the 1st day of April, 1991,

(vii) the loss so computed for the previous year relevant to the assessment year commencing on the 1st day of April, 1990, to the extent, if any, such loss has not been set off against the agricultural income for the previous year relevant to the assessment year commencing on the 1st day of April, 1991, and

(viii) the loss so computed for the previous year relevant to the assessment year commencing on the 1st day of April, 1991.

shall be set off against the agricultural income of the assessee for the previous year relevant to the assessment year commencing on the 1st day of April, 1992.”;

(B) for sub-rule (5), the following sub-rule shall be substituted, namely:—

“(5) Notwithstanding anything contained in this rule, no loss which has not been determined by the Assessing Officer under the provisions of these rules or the rules contained in Part IV of the First Schedule to the Finance Act, 1983 or of the First Schedule to the Finance Act, 1984, or of the First Schedule to the Finance Act, 1985, or of the First Schedule to the Finance Act, 1986, or of the First Schedule to the Finance Act, 1987, or of the First Schedule to the Finance Act, 1988, or of the First Schedule to the Finance Act, 1989, or of the First Schedule to the Finance Act, 1990, shall be set off under sub-rule (1) or, as the case may be, sub-rule (2).”.

11 of 1983.
21 of 1984.
32 of 1985.
23 of 1986.
11 of 1987.
26 of 1988.
13 of 1989.
12 of 1990.

Auxiliary
duties of
customs.

3. (1) In the case of goods mentioned in the First Schedule to the Customs Tariff Act, 1975 or in that Schedule, as amended from time to time, there shall be levied and collected as an auxiliary duty of customs

51 of 1975.

52 of 1962. an amount equal to fifty per cent. of the value of the goods as determined in accordance with the provisions of section 14 of the Customs Act, 1962 (hereinafter referred to as the Customs Act).

10 of 1897. (2) Sub-section (1) shall cease to have effect after the 31st day of March, 1992, and upon such cesser section 6 of the General Clauses Act, 1897, shall apply as if the said sub-section had been repealed by a Central Act.

(3) The auxiliary duties of customs referred to in sub-section (1) shall be in addition to any duties of customs chargeable on such goods under the Customs Act or any other law for the time being in force.

(4) The provisions of the Customs Act and the rules and regulations made thereunder, including those relating to refunds and exemptions from duties, shall, as far as may be, apply in relation to the levy and collection of the auxiliary duties of customs leviable under this section in respect of any goods as they apply in relation to the levy and collection of the duties of customs on such goods under that Act or those rules and regulations, as the case may be.

1 of 1944. 4. (1) In the case of goods chargeable with a duty of excise under the Central Excises and Salt Act, 1944 (hereinafter referred to as the Central Excises Act), as amended from time to time, read with any notification for the time being in force issued by the Central Government in relation to the duty so chargeable (not being a notification providing for any exemption for giving credit with respect to, or reduction of duty of excise under the said Act on such goods equal to, any duty of excise under the said Act, or the additional duty under section 3 of the Customs Tariff Act, 1975 already paid on the raw material or component parts used in the production or manufacture of such goods), there shall be levied and collected a special duty of excise equal to ten per cent of the amount so chargeable on such goods.

Special
duties of
excise.

51 of 1975.

10 of 1897. (2) Sub-section (1) shall cease to have effect after the 31st day of March, 1992, and upon such cesser section 6 of the General Clauses Act, 1897, shall apply as if the said sub-section had been repealed by a Central Act.

(3) The special duties of excise referred to in sub-section (1) shall be in addition to any duties of excise chargeable on such goods under the Central Excises Act or any other law for the time being in force.

(4) The provisions of the Central Excises Act and the rules made thereunder, including those relating to refunds and exemptions from duties, shall, as far as may be, apply in relation to the levy and collection of the special duties of excise leviable under this section in respect of any goods as they apply in relation to the levy and collection of the duties of excise on such goods under that Act or those rules, as the case may be.

K. L. MOHANPURIA,

Additional Secretary to the Govt. of India.

